

Message Text

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ACTION ARA-10

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C O N F I D E N T I A L CARACAS 4223

E.O. 11652: GDS

TAGS: PINS, ASEC, VE

SUBJ: NIEHOUS KIDNAPPING - KIDNAPPERS' MAKE "FINAL" DEMANDS

REF: CARACAS 4125

1. THE KIDNAPPERS OF U.S. INDUSTRIALIST WILLIAM NIEHOUS DISTRIBUTED APRIL 10 TO THE MEDIA A "FINAL COMMUNIQUE" IN WHICH THEY REITERATED THEIR DEMAND FOR A PUBLICATION LOCALLY OF THEIR FIRST COMMUNIQUE AND SET FORTH ADDITIONAL CONDITIONS TO BE MET BEFORE NIEHOUS WILL BE RELEASED. THE GROUP HOLDING NIEHOUS REJECTED OWENS-ILLINOIS' COUNTER-PROPOSAL PUBLISHED IN THE LOCAL PRESS MARCH 30 (CARACAS 3630).

2. NIEHOUS' CAPTORS SAID THEIR LATEST COMMUNIQUE WAS THEIR "FINAL OFFER WITH REGARD TO THE CONDITIONS THAT WOULD BRING ABOUT THE IMMEDIATE FREEDOM OF MR. WILLIAM FRANK NIEHOUS IN COMPLETE MENTAL AND BODILY HEALTH." THE KIDNAPPERS SAID OWENS-ILLINOIS SHOULD PUBLISH LOCALLY THEIR FEBRUARY 28 COMMUNIQUE AS WELL AS THE PRESENT ONE AND DIRECTED THE COMPANY TO MAKE A DEMARCHE AT THE INTERIOR MINISTRY FOR PERMISSION TO DO SO. THE KIDNAPPERS' SECOND DEMAND IS FOR AN UNSPECIFIED SUM OF MONEY, PURPORTEDLY TO BE USED FOR THREE PURPOSES:

(A) TO PAY FOR THE PURCHASE OF BAGS OF FOOD AND OTHER FORMS OF SOCIAL ASSISTANCE;

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(B) TO COVER EXPENSES INCURRED WHILE HOLDING NIEHOUS CAPTIVE FOR SUCH

A LONG PERIOD: AND

(C) TO PUT UP A "BOND" TO GUARANTEE THAT NIEHOUS WILL NOT INTERVENE IN VENEZUELA'S INTERNAL AFFAIRS.

THE COMMUNIQUE STATES THAT O-I WILL BE INFORMED LATER AS TO THE "CHANNELS" THROUGH WHICH PAYMENT SHOULD BE MADE. THE PRESS SPECULATES, APPARENTLY ON THE BASIS OF A CONVERSATION WITH SOMEONE CLOSE TO THE FAMILY, THAT THE TOTAL RANSOM PACKAGE MIGHT REACH BS 10 MILLION (\$2.3 MILLION.)

3. THE COMMUNIQUE ACCUSES THE COMPANY OF TRYING TO PLAY A "GAME OF PROPOSALS AND COUNTER-PROPOSALS" IN ORDER TO TRAP THE KIDNAPPERS. IT NOTES THAT CONTINUING EXCHANGES OF MESSAGES WILL ULTIMATELY GIVE THE ADVANTAGE TO THE "FORCES OF REPRESSION" WHO MIGHT BE ABLE TO IDENTIFY AND DETAIN ONE OF THE MESSENGERS. THE AUTHORS INSISTED THAT THEY ARE NOT SO "GULLIBLE" AS TO FALL FOR THAT PLOY AND THAT THIS WILL BE THEIR LAST COMMUNIQUE. THEY ALSO REJECT AS A "MANEUVER" THE ANNOUNCED "EXPROPRIATION" OF THE O-I BY THE "IMPERIALIST" GOV.

4. ACCORDING TO THE PRESS, MRS. NIEHOUS RECEIVED ANOTHER MESSAGE APRIL 8 FROM HER HUSBAND WRITTEN ON THE BACK OF ONE OF HIS CALLING CARDS. HE REPORTEDLY SAID HE WAS WELL, TOLD HIS WIFE NOT TO WORRY AND EXPRESSED CONFIDENCE IN AN ULTIMATELY HAPPY OUTCOME. TWO OF THE NIEHOUS CHILDREN DEPARTED VENEZUELA APRIL 10, OSTENSIBLY FOR VACATION IN THE U.S. THE THIRD IS SCHEDULED TO LEAVE TODAY, APRIL 12.

5. MEANWHILE, THE COMPANY IS WITHDRAWING SECURITY ADVISER JAKE LONGAN AND HAS ASSIGNED LOCAL COUNSEL THOMAS HUGHES THE RESPONSIBILITY FOR ALL COMMUNICATIONS WITH THE GOV. HIS POINT OF CONTACT IS MINISTER OF STATE CARMELO LAURIA WHO WILL COORDINATE ALL ASPECTS OF THE CASE EXCEPT FOR PURELY POLICE PROCEDURES.

6. COMMENT: THE "FINAL" COMMUNIQUE IS NOTABLY STRIDENT IN TONE. THE MESSAGE IS A TOUGH ONE, DESIGNED TO PUSH THE COMPANY INTO FURTHER CONFLICT WITH THE GOV. HOWEVER, THE KIDNAPPERS DO NOT IN THIS INSTANCE SUGGEST ANY DISPOSITION TO KILL NIEHOUS, RATHER ASSERTING THAT THEY ARE PREPARED TO HOLD HIM INDEFINITELY. WE UNDERSTAND THAT MRS. NIEHOUS MAY BE BEGINNING TO WAIVER IN HER CONFIDENTIAL

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RELATIONS WITH O-I. SHE AND A GROUP OF PERSONAL FRIENDS ADVISING HER SEEM TO THINK THAT THE LATEST DEMANDS SHOULD BE MET THROUGH A PETITION TO THE MINISTER OF INTERIOR TO ALLOW PUBLICATION OF THE TWO COMMUNIQUE IN VENEZUELA AND TO PERMIT PAYMENT OF THE RANSOM. WE DO NOT AS YET KNOW WHAT THE COMPANY'S POSITION MAY BE BUT HAVE NO INDICATION THAT THERE IS A DISPOSITION IN THAT QUARTER TO CHALLENGE AGAIN THE GOV'S AUTHORITY.

7. AS MIGHT BE EXPECTED, SEVERAL TROUBLESOME RUMORS HAVE
CROPPED UP TO FURTHER COMPLICATE O-I-GOV RELATIONS. SOME IN
THE GOVERNEMTN SEEM TO SUSPECTTHAT O-I IS ENGAGED IN NEGOTIATIONS
FOR PAYMENT OF RANSOM IN THE UNITED STATES. WE KNOW OF NO BASIS
FOR THIS SUSPICION. ANOTHER STORY MAKING THE ROUNDS IS THAT
SOMEHOW THE KIDNAPPING MAY BE CONNECTED TO A STRUGGLE BETWEEN
O-I AND COMPETITOR FIRMS FOR THE CONTRACT TO BUILD A FLOAT GLASS
PLANT. AGAIN, THERE IS NOTHING KNOWN TO US THAT WOULD GIVE
SUBSTANCE TO SUCH A STORY.
SHLAUDEMAN

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